Foreign debt and forex resources

2066. SHRI CHIMANBHAI MEHTA:

SHRIMATI RENUKA CHOWDHURY:

SHRI G. G. SWELL:

SHRI SUBRAMANIAN SWAMY:

SHRI SARADA MOHANTY:

Will the Minister of FINANCE be pleased to state:

(a) what is the quantum of international debts on our country, till date;

(b) what is the FOREX reserves, including NRI deposits, at present and current year repayment liability in terms of interest and principal repayment, both the figures separately;

(c) whether Government are going for further international borrowings to repay principal and debts in the current and coming year; if so, the details therof;

(d) what are the various components of international debts, their interest rates and quantum of each component; and

(e) what is the programme of Government to wipe out international debts and by what time frame?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. ABRAR AHMED): (a) The total external debt outstanding including defence debt and NRI deposits, on the country is estimated to be US$ 90.386 billion at the end of September, 1993.

(b) The foreign exchange reserves excluding SDRs and Gold) were US$ 10.904 billion as on 4th February, 1994 after taking into account all the foreign exchange transactions including inflows/outflows of NRI deposits. The repayment of principal and payment of interet are estimated to be US dollar 4.9 billion and US dollar 3.6 billion respectively during the current year.

(c) Financing of debt service payments cannot be seen in isolation of the movements in various items under both current and capital accounts of the balance of payments. In the long run, the capacity for debt servicing is broadly determined by the growth of the exports and other foreign exchange earnings. The Government intends to meet all its debt servicing obligations as and when they arise.

(d) Component-wise information of external debt outstanding is given below:

	Source	Amount in US $ million
1	Multilateral	25532
2	Bilateral	16575
3	IMF	5108
4	Export Credits	4365
5	Commercial Borrowings	11625
6	NRI & FC (B&O) Deposits (above one year maturity)	11806
7	Rupee debt	10196
8	Short term debt	5179
	TOTAL :	90386

The rate of interest varies from country to country and loan to loan. However, the rate of interest on foreign debt ranges from zero to 11 percent.

(e) Foreign debt is being repaid on due dates according to the terms and conditions of each loan. The Government will ensure that this burden does not exceed the capacity of the economy to service such loans. The Government have already introduced a programme of economic reforms aimed at short term stabilisation combined with longer term restructuring. These reforms would improve the economic condition of the country and revitalise our growth process including our export earning capacity so as to enhance our capacity to repay the loans.

Recommendations of Chelliah Committee

2067. SHRI MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) what is the position, as on date about implementation of the recommendations of Chelliah Committee regarding Income Tax on Agricultural Income; and

(b) the latest position about implementation of the recommendations of this committee regarding the Settlement Commission (Income-tax and Wealth Tax):.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The Government does not intend, at present to bring agricultural income to tax.

(b) Recommendations of the Chelliah Committee in regard to the Settlement Commission (Income Tax and Wealth Tax) are still under active consideration of the Government and a final view is yet to emerge in respect of each of the recommendations.

Pending applications in the Settlement Commission

2068. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) the number of applications pending admission with the Principal Bench of the Settlement Commission (Income Tax and Wealth Tax), New Delhi as on 31st December, 1993;

(b) the date of filling of each of such application and reasons for keeping these applications pending in aach case; and

(c) what are the reasons for which various applications filled after the due date have not only been admitted but settled also, whereas the Commission never bothered to touch these applications since the date of filling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) 388 applcations.

(b) Information is being collected.

(c) Settlement applications are ordinarily processed for admission in their chronological order, except where the aggregate additional tax offered in the application is Rs. 10 lakhs or more, or where bunching of new and old cases is desirable for consolidated and coordinated disposal of the entire group of cases.

Expenditure Incurred on Official Telephones

2069. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been considerable increase in respect of expenditure in his Ministry/Departments and subordinate offices|Settlement Commissions| Tribunals under his Ministry, on account of payment of residential as well as official telephone bills and none of the above officials are making any curtailment on this account, particularly when Government are passing through finanial crisis;

(b) if so, the amount paid by each of the offices during the last three years, year-wise and office-wise, on account of payment of official and residential tele. phone bills, separately;